### REMARKS

Favorable reconsideration of this application, in light of the following discussion and in view of the present amendment, is respectfully requested.

Claims 64-79, 81-88 and 90-93 are cancelled. Claims 1, 3, 6, 7, 14-18, 20, 23, 25-27, 29, 30, 32, 34, 35, 37, 38, 45-49, 51, 54, 56-58, 60, 61, 63, 80 and 89 are pending.

## Entry of Amendment under 37 C.F.R. § 1.116

The Applicant requests entry of this Rule 116 Response because: the amendments were not earlier presented because the Applicant believed in good faith that the cited references did not disclose the present invention as previously claimed; and the amendment does not significantly alter the scope of the claim and places the application at least into a better form for purposes of appeal.

The Manual of Patent Examining Procedures (M.P.E.P.) sets forth in Section 714.12 that "any amendment that would place the case either in condition for allowance <u>or in better form for appeal</u> may be entered." Moreover, Section 714.13 sets forth that "the Proposed Amendment should be given sufficient consideration to determine whether the claims are in condition for allowance and/or whether the issues on appeal are simplified." The M.P.E.P. further articulates that the reason for any non-entry should be explained expressly in the Advisory Action.

# I. Rejection under 35 U.S.C. § 101

In the Office Action mailed January 12, 2007, at page 2, claims 63-93 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Claims 64-79, 81-88 and 90-93 are cancelled.

Further, the specification has been amended to delete the term "carrier waves". Therefore, the Applicants respectfully request withdrawal of the § 101 rejection.

### II. Rejection under 35 U.S.C. § 102

In the Office Action mailed January 12, 2007, at page 2, claims 1-93 were rejected under 35 U.S.C. § 102(b) as being unpatentable over EP 768 774. Claims 64-79, 81-88 and 90-93 are cancelled. This rejection is respectfully traversed because EP '774 does not discuss or suggest:

generating an N-th layer key; generating an (N+1)-th layer key by applying the N-th layer key to a

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predetermined function;

encrypting N-th layer media data using the N-th layer key; and encrypting (N+1)-th layer media data using the (N+1)-th layer key as recited in amended independent claims 1, 32 and 63.

EP '774 discusses only that a key of a next hierarchy is generated based off a key of a lower hierarchy. EP '774 does not discuss or suggest that N-th layer media data and (N+1)-th layer media data are encrypted with an N-th layer and (N+1)-th layer key, respectively. Generating keys of next hierarchies is not encrypting N-th layer media data and N+1-th layer media data. By encrypting different layers of media data, the present invention of claim 1, for example, is capable of encrypting different types of data. For example, the N-th layer media data may be an entire video data except key clip and key frame data, the N+1-th layer media data may be the key clip data except the key frame data and the N+2-th layer media data may be the key frame data.

In the present invention of claim 1, <u>layers</u> of data are encrypted, where the layers of data are media data. EP '774 does not discuss or suggest encrypting different <u>layers</u> of data and does not discuss or suggest encrypting different layers of <u>media</u> data. EP '774 discusses only encrypting software or data, but not encrypting a first layer, a second layer, etc. of data, specifically media data. Particularly, at col. 3, line 50 – col. 4, line 1 and col. 5, line 8 – col. 6, line 9, EP '774 does not ever discuss that different layers of data are encrypted using different hierarchies of keys. In particular, EP '774 discusses only that a user can decode information encrypted by a latest encryption key and information encrypted by a previous encryption key, where the encryption keys are keys that are sequentially generated from the master key by using a one-way function (F). However, EP '774 does not clarify that the information encrypted by a first key and the information encrypted by other keys in the generated sequence are different <u>layers</u> of data. No distinction is made of the types of information that are encrypted, where the encryption is made of different layers of data. Further, the Final Office Action does not address the deficiency in EP '774 with respect to encrypting different layers of data.

Thus, as the present invention of claim 1, for example, encrypts different layers of data, where the layers are layers of media data, amended independent claim 1 contrasts with the disclosure of EP '774.

Therefore, as EP '774 does not discuss or suggest "encrypting N-th layer media data using the N-th layer key; and encrypting (N+1)-th layer media data using the (N+1)-th layer key," as recited in amended independent claims 1, 32 and 63, claims 1, 32 and 63 patentably

distinguish over the reference relied upon. Accordingly, withdrawal of the § 102(b) rejection is respectfully requested.

Further, EP '774 does not discuss or suggest "decrypting encrypted N-th layer media data using the N-th layer key; and decrypting encrypted (N+1)-th layer media data using the (N+1)-th layer key," as recited in independent claims 18, 49 and 80, claims 18, 49 and 80 patentably distinguish over the reference relied upon. Accordingly, withdrawal of the § 102(b) rejection is respectfully requested.

Also, EP '774 does not discuss or suggest "...encrypting N-th layer media data using the N-th layer key, and encrypting (N+1)-th layer media data using the generated (N+1)-th layer key; and... decrypting the encrypted N-th layer media data using the N-th layer key, and decrypting the encrypted (N+1)-th layer media data using the (N+1)-th layer key," as recited in independent claims 27, 58 and 89, claims 27, 58 and 89 patentably distinguish over the reference relied upon. Accordingly, withdrawal of the § 102(b) rejection is respectfully requested.

Claims 2-17, 19-26, 28-31, 33-48, 50-57, 59-62, 64-79, 81-89 and 90-93 depend either directly or indirectly from independent claims 1, 18, 27, 32, 49, 58, 63, 80 and 89 and include all the features of their respective independent claims, plus additional features that are not discussed or suggested by the reference relied upon. For example, claim 3 recites that "the N-th layer data is the entire media data except key clip data and key frame data, and the (N+1)-th layer data is the key clip data except the key frame data." Therefore, claims 1-17, 19-26, 28-31, 33-48, 50-57, 59-62, 64-79, 81-89 and 90-93 patentably distinguish over the reference relied upon. Accordingly, withdrawal of the § 102(b) rejection is respectfully requested.

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#### Conclusion

In accordance with the foregoing, claims 64-79, 81-88 and 90-93 have been cancelled. Claims 1, 3, 6, 7, 14-18, 20, 23, 25-27, 29, 30, 32, 34, 35, 37, 38, 45-49, 51, 54, 56-58, 60, 61, 63, 80 and 89 are amended. Claims 1-63, 80 and 89 are pending and under consideration.

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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